

Subject: RETIRED ANNUITANTS

REFERENCES	SECTIONS
Classification and Pay (C & P) Guide	Section 320 (7.3); 400 (7)
Human Resources Policy Memo http://www.ohr.dgs.ca.gov/HRMemos/default.htm	HR (released soon)
Law & Regulation http://www.dpa.ca.gov/statesys/dpa/laws.htm	G.C. 19144, 20012, 21028-21029, 21150-21176, 21190 - 21203, 21220 - 21229
Memo of Understanding (MOU) http://www.dpa.ca.gov/collbarg/contract/bumenu.shtm	Refer to MOU
Personnel Management Policy and Procedures Manual (PMPPM)	360, 420
Responsible Control Agency and Program	PERS, SPB
State Administrative Manual (SAM) http://sam.dgs.ca.gov/default.htm	6509, 6518
SPB/DPA Policy Memo http://www.dpa.ca.gov/statesys/dpa/src/hfpml.shtm	PML: 2005-010
Other:	
CalPERS Web-Site	http://www.calpers.ca.gov/index.jsp?bc=/member/perspective/2005winter/new-rules-after.xml&pst=ACT&pca=ST
CalPERS Circular Letter	http://www.calpers.ca.gov/eip-docs/employer/cir-ltrs/200-265-05.pdf
Reinstatement from Retirement	https://www.calpers.ca.gov/mss-publication/pdf/xnDEOcXF4AKuw_pub-37-2005.pdf
Employment after Retirement	https://www.calpers.ca.gov/mss-publication/pdf/xowqcd204fuel_pub-33-booklet.pdf
Personnel Transactions Operations Procedures (PTOP)	R4.0

Retired Annuitants

Policy

It is the DGS' policy to appoint retired annuitants into blanket funds. **No retired annuitant appointments should be made using budgeted positions.** Exceptions shall be made on a case-by-case basis if all the following criteria are applicable:

1. The Branch/Division has an existing budgeted vacant position or has received authorization to establish a new budgeted position.
2. The work/project to be assigned to the retired annuitant is of a short duration (less than six months).
3. The work cannot be completed by existing staff or requires specialized knowledge, skills, or abilities.
4. There are compelling reasons for requesting the use of the budgeted position.

Definition

A retired annuitant, as defined by Government Code Section 20012, is a former employee of either the State or other public agency that contracts with the Public Employees Retirement System (PERS) and who is receiving a retirement allowance. However, **only** a former employee of a State agency may be appointed.

Authority

Permanent employment status is designated specifically to positions with an indefinite continuation within any civil service classification. Retired annuitants would not fall into this category. SAM section 6518 states that temporary help is authorized only for a limited duration of time. Therefore, temporary help blankets were authorized for funding these positions.

Continued on next page

Retired Annuitants, Continued

Authority A person who is retired from PERS and was a “State” employee may be appointed into blanket funds without being released from PERS, but a retired annuitant **cannot** be appointed to a budgeted position on a permanent basis until the retiree has been released from retirement by PERS. A Request for Personnel Action (RPA) package must be submitted, if this is the first time the retired annuitant is being appointed to DGS.

The retired annuitant must be reinstated to a classification that is either in:

- the class that the person had permanent or probationary status
- a Career Executive Assignment (CEA) appointment at the time of retirement
- another class to which the person could have been permanently transferred, reinstated or demoted at the time of retirement

NOTE: A retired annuitant **shall** only be appointed to a CEA position if the CEA position has been established by the SPB and the retired annuitant is to perform the approved duties of the CEA position. In other words, placement **can** be made to “blanket funds” but the budgeted CEA position **cannot** be filled while the retired annuitant is performing the duties of the established CEA position.

Retired annuitants are appointed to perform litigation-related work including testifying as an expert witness as to matters within or based upon their knowledge acquired while employed with the Department. These appointments may be either during an emergency to prevent stoppage of public business or because the retired employee has skills needed in performing work of limited duration.

Appointment restriction Appointments **shall not** exceed 120 days or a maximum of 960 hours in any **fiscal year (July-June)** without reinstatement or loss or interruption of benefits.

Note: Effective January 1, 2006 the following provides the maximum hours the DGS may temporarily employ a retired person without reinstatement from retirement or loss or interruption of benefits:

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|---|----------------|
| • January 1, 2006 through June 30, 2006 | 960 hours max. |
| • July 1, 2006 through June 30, 2007 | 960 hours max. |
| • Future fiscal years | 960 hours max. |

Continued on next page 111.2

Retired Annuitants, Continued

Reinstatement to active service

1. A letter must be sent to PERS from the retired annuitant stating that s/he is reinstating with the State (preferably the Agency's name), the classification, and the effective date.
 2. A "letter of intent to hire from the Employer" must be sent to PERS. This means that the employer must write to PERS and provide PERS with the effective date of hire and classification **before** the individual starts work.
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Funding/employment status

The Office of Fiscal Services (OFS), in conjunction with the requesting Branch/Division, is responsible for ascertaining the availability of blanket funds with which to fund an appointment. Additionally, a justification memorandum, RPA, Job Opportunity Bulletin (JOB), and duty statement **shall** be submitted to the Classification and Pay (C&P) Analyst for review and processing. If the Branch/Division anticipates a compelling need to use a budgeted position, a justification statement that identifies the position, classification and provides supporting reasons to use a budgeted position **shall** be included.

Process

Effective January 1, 2005, the DPA, PERS, and the Employment Development Department (EDD) worked together to develop the following process for hiring retired annuitants under Government Code (GC) section 21224. The following two forms must be provided to the retired annuitant, which must be completed by the employee; and kept in the employee's official personnel folder (OPF) for audit purposes.

[DPA Form 715](#) is a self-certification form that requires the retired annuitant to certify whether or not s/he has received unemployment insurance.

If a person applies for reemployment as a retired annuitant with the State, and self certifies that s/he received unemployment as a retired annuitant based on prior State employment as a retired annuitant, this person is **ineligible** for employment with the State for 12 months after the date of the last unemployment insurance payment.

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Retired Annuitants, Continued

Process (continued)

- If a person already has been appointed as a retired annuitant with the State on or after January 1, 2005, and this employee certifies that s/he received unemployment insurance from a CalPERS-covered employer prior to the appointment (or EDD later verifies that the person received unemployment insurance), you **must** separate this employee at the end of the pay period; this person will be **ineligible** to return to work with the State for 12 months.

[EDD Form DE 1181](#) authorizes EDD to release to State employers the retired annuitant's records regarding unemployment insurance payments. The form includes processing instructions and EDD contact information.

EDD anticipates it will take 10 to 30 days to process each Form DE 1181 and return the information to the inquiring department. While the EDD form is being processed, the DGS may hire a retired annuitant who certifies on DPA Form 715 that s/he has not received unemployment insurance payments.
